

Amendments to House Bill No. 463
3rd Reading Copy

Requested by Representative Dan Villa

For the Senate Taxation Committee

Prepared by Lee Heiman
April 12, 2007 (6:40am)

1. Title, lines 11 and 12.

Following: "15-6-135," on line 11

Insert: "15-10-420,"

Following: "15-24-1401,"

Insert: "AND"

Strike: "AND" on line 11 through "90-6-205," on line 12

Strike: "15-16-201," on line 12

2. Page 1, line 29.

Strike: "by employing at least 10"

Insert: "that results in hiring"

3. Page 3, line 5.

Strike: "and"

Insert: "or"

4. Page 3, line 16.

Strike: "PREAPPLICATION CONSULTATION -- APPLICATION"

Insert: "Application"

5. Page 3, line 17 through line 23.

Strike: "BEFORE" on line 17 through "IN" on line 23

Insert: "In"

Renumber: subsequent subsections

6. Page 4, line 11.

Strike: "(4)"

Insert: "(3)"

7. Page 4, line 14 through line 16.

Strike: subsection (a) in its entirety

8. Page 4, line 17.

Strike: "(b)"

9. Page 5, line 11.

Strike: "taxed"

Insert: "assessed"

10. Page 6, lines 6 through 8.

Strike: "department" on line 6

Insert: "local governing body"

Strike: "The" on line 6 through "The" on line 7

Insert: "If the"

Strike: "must" on line 7 through "be" on line 8

Insert: "is"

Strike: "and" on line 8

11. Page 6, lines 10 and 11.

Strike: "and the department" on line 10 through "abatement" on line 11

12. Page 6, line 12 through line 14.

Strike: "THE" on line 12 through "(2)." on line 14

13. Page 11, line 11.

Insert: "Section 10. Section 15-10-420, MCA, is amended to read:

"15-10-420. Procedure for calculating levy. (1) (a) Subject to the provisions of this section, a governmental entity that is authorized to impose mills may impose a mill levy sufficient to generate the amount of property taxes actually authorized to be assessed in the prior year plus one-half of the average rate of inflation for the prior 3 years. The maximum number of mills that a governmental entity may impose is established by calculating the number of mills required to generate the amount of property tax actually authorized to be assessed in the governmental unit in the prior year based on the current year taxable value, less the current year's value of newly taxable property, plus one-half of the average rate of inflation for the prior 3 years.

(b) A governmental entity that does not impose the maximum number of mills authorized under subsection (1)(a) may carry forward the authority to impose the number of mills equal to the difference between the actual number of mills imposed and the maximum number of mills authorized to be imposed. The mill authority carried forward may be imposed in a subsequent tax year.

(c) For the purposes of subsection (1)(a), the department shall calculate one-half of the average rate of inflation for the prior 3 years by using the consumer price index, U.S. city average, all urban consumers, using the 1982-84 base of 100, as published by the bureau of labor statistics of the United States department of labor.

(2) A governmental entity may apply the levy calculated pursuant to subsection (1)(a) plus any additional levies authorized by the voters, as provided in 15-10-425, to all property in the governmental unit, including newly taxable property.

(3) (a) For purposes of this section, newly taxable property includes:

(i) annexation of real property and improvements into a taxing unit;
(ii) construction, expansion, or remodeling of improvements;
(iii) transfer of property into a taxing unit;
(iv) subdivision of real property; and
(v) transfer of property from tax-exempt to taxable status;
and
(vi) increases in taxable value pursuant to [sections 1 through 6].

(b) Newly taxable property does not include an increase in value that arises because of an increase in the incremental value within a tax increment financing district.

(4) (a) For the purposes of subsection (1), the taxable value of newly taxable property includes the release of taxable value from the incremental taxable value of a tax increment financing district because of:

(i) a change in the boundary of a tax increment financing district;

(ii) an increase in the base value of the tax increment financing district pursuant to 7-15-4287; or

(iii) the termination of a tax increment financing district.

(b) If a tax increment financing district terminates prior to the certification of taxable values as required in 15-10-202, the increment value is reported as newly taxable property in the year in which the tax increment financing district terminates. If a tax increment financing district terminates after the certification of taxable values as required in 15-10-202, the increment value is reported as newly taxable property in the following tax year.

(c) For the purpose of subsection (3)(a)(iv), the subdivision of real property includes the first sale of real property that results in the property being taxable as class four property or as nonqualified agricultural land as described in 15-6-133(1)(c).

(5) Subject to subsection (8), subsection (1)(a) does not apply to:

(a) school district levies established in Title 20; or

(b) the portion of a governmental entity's property tax levy for premium contributions for group benefits excluded under 2-9-212 or 2-18-703.

(6) For purposes of subsection (1)(a), taxes imposed do not include net or gross proceeds taxes received under 15-6-131 and 15-6-132.

(7) In determining the maximum number of mills in subsection (1)(a), the governmental entity may increase the number of mills to account for a decrease in reimbursements.

(8) The department shall calculate, on a statewide basis, the number of mills to be imposed for purposes of 15-10-107, 20-9-331, 20-9-333, 20-9-360, 20-25-423, and 20-25-439. However, the number of mills calculated by the department may not exceed

the mill levy limits established in those sections. The mill calculation must be established in whole mills. If the mill levy calculation does not result in a whole number of mills, then the calculation must be rounded up to the nearest whole mill.

(9) (a) The provisions of subsection (1) do not prevent or restrict:

(i) a judgment levy under 2-9-316, 7-6-4015, or 7-7-2202;

(ii) a levy to repay taxes paid under protest as provided in 15-1-402; or

(iii) an emergency levy authorized under 10-3-405, 20-9-168, or 20-15-326.

(b) A levy authorized under subsection (9)(a) may not be included in the amount of property taxes actually assessed in a subsequent year.

(10) A governmental entity may levy mills for the support of airports as authorized in 67-10-402, 67-11-301, or 67-11-302 even though the governmental entity has not imposed a levy for the airport or the airport authority in either of the previous 2 years and the airport or airport authority has not been appropriated operating funds by a county or municipality during that time.

(11) The department may adopt rules to implement this section. The rules may include a method for calculating the percentage of change in valuation for purposes of determining the elimination of property, new improvements, or newly taxable property in a governmental unit."

{ Internal References to 15-10-420:

2-9-212	2-9-212	2-9-212	2-9-212
2-9-212	2-9-212	2-18-703	7-1-112
7-1-114	7-1-2103	7-1-4123	7-2-2730
7-2-2730	7-2-2746	7-2-4111	7-2-4918
7-2-4918	7-3-184	7-3-1104	7-3-1310
7-3-1310	7-3-1311	7-3-1311	7-3-1313
7-3-1313	7-3-4312	7-6-502	7-6-2501
7-6-2511	7-6-2512	7-6-2513	7-6-2522
7-6-4035	7-6-4036	7-6-4401	7-6-4406
7-6-4421	7-6-4431	7-6-4431	7-6-4438
7-6-4438	7-6-4453	7-11-1106	7-11-1112
7-11-1112	7-13-144	7-13-3027	7-14-111
7-14-232	7-14-1111	7-14-1131	7-14-2101
7-14-2101	7-14-2101	7-14-2205	7-14-2501
7-14-2502	7-14-2503	7-14-2801	7-14-2801
7-14-2807	7-14-4404	7-14-4644	7-14-4703
7-14-4713	7-14-4734	7-15-4281	7-16-101
7-16-2102	7-16-2108	7-16-2109	7-16-2205
7-16-2411	7-16-2423	7-16-2431	7-16-2443
7-16-4105	7-16-4113	7-16-4114	7-21-3203
7-21-3410	7-21-3432	7-21-3433	7-22-2142
7-22-2222	7-22-2306	7-22-2432	7-22-2512
7-32-235	7-32-4117	7-33-2109	7-33-2209
7-33-4111	7-33-4130	7-34-102	7-34-2122
7-34-2133	7-34-2417	7-35-2122	13-13-230
15-7-403	15-10-107	15-10-202	15-10-401
15-10-402	15-10-425	15-10-425	15-16-203
15-23-214	15-24-1402	15-24-1402	15-24-1501
15-24-1603	19-7-404	19-9-209	19-13-214

19-18-504	19-19-301	20-3-324	20-7-714
20-9-331	20-9-333	20-9-360	20-9-404
20-9-533	20-15-305	20-15-311	20-15-311
20-15-313	20-15-314	20-15-314	20-25-423
20-25-439	22-1-304	22-1-316	22-1-702
22-1-707	22-1-708	22-1-711	22-1-711
23-4-303	39-71-403	41-5-1804	50-2-111
50-2-111	53-20-208	53-21-1010	67-10-402
67-11-201	67-11-301	67-11-301	67-11-302
67-11-303	67-11-303	75-10-112	76-1-111
76-1-403	76-1-404	76-1-406	76-2-102
76-5-1116	76-5-1116	76-6-109	76-15-501
76-15-505	76-15-516	76-15-516	76-15-516
76-15-518	76-15-623	81-8-504	85-3-412
85-3-422	85-7-206	85-7-307	85-7-1953
85-7-1973	85-7-2104	85-7-2117	85-7-2134
85-7-2136	85-8-601	85-8-615	85-8-618
85-20-1001	85-20-1001	90-5-112	90-6-403
90-6-403	90-6-403}		

Renumber: subsequent sections

14. Page 12, line 24 through page 13, line 11.

Strike: section 12 in its entirety

Renumber: subsequent sections

15. Page 13, line 13.

Strike: "15-16-201,"

16. Page 13, line 20 through line 21.

Strike: section 15 in its entirety

Renumber: subsequent sections

- END -